

NHC HomeCare, Beaufort
CON Application
Additional Information

October 24, 2011



00335

CON Review—Beaufort County applications

St. Joseph's Candler

The applicant projected 185 patients in first year. The SC State Health Plan Need is projected to be 101.

Average visits per patient in years 1, 2, and 3 were 16.51, 16.50, and 16.53. SC average per CMS statistics page is 25.60. Therefore, the applicant's projections appear to be low = less care per patient. (See attached table—Source CMS HCIS, March 2011).

The applicant proposes to use contract therapists.

Indigent care—the applicant reflect 5% for year 1 but state this is in part “because of program start-up costs and reimbursement issues for Medicare certification purposes”. According to DHEC indigent care definitions, the applicant understanding is not consistent with DHEC indigent care.

The applicant reportedly agreed to pay \$2.7 million to the State of Georgia earlier in 2011 to settle Medicaid Fraud Allegations (see attached).

Community Health, Inc.

The applicant has not prior history or experience as they have no Medicare certified HHA in SC or any other states.

Staffing appears to be understated. Given the projected number of visits for Skilled Nursing in Year 1 of 925 and a combined RN/LPN staff of .63 this would require a productivity of 5.87 visits per nurse per day. National comparison statistics show average RN productivity at 4.96 (see statistics page) and average LPN productivity at 5.90. This applicant projects .55 FTE's are RN and .08 are LPN. Please note that LPN's cannot independently perform visits in South Carolina.

Staffing for Physical Therapy in Year 1 is a combined .71 with .49 of that for PT and .22 for LPTA. Given the physical therapy projections of 1,076 visits in Year 1 that would require an average of 6.06 visits per day for the projected staff. National averages are 5.39 visits per day.

The applicant will not offer Pediatrics, High Risk OB, or Psychiatric care.

Gentiva Home Health

Project Costs are extremely high – at all most 3 ½ times the average of the other 7 applicants.

The applicant will not serve pediatric patients.

Projected Utilization reflects 281 patients in Year 1. SC need projection only showed unmet need of 101. In order to achieve their projections, applicant would clearly have to take patients away from existing providers already in the area.

SEC investigation initiated in July 2010 focusing on issues related to the number of and reimbursement received for therapy visits before and after changes in the Medicare Home Health Prospective Payment System. (See copy of 10-Q filed by applicant with the SEC on 8-8-11.)

Senate Finance Committee inquiry into therapy utilization began on 5-12-10. See Report released on 10-3-11.

Collective and class action complaints pending alleging wage and hour violations under FLSA. Filed in May, June, and July 2010. (See 10-Q)

Putative Shareholder class action complaints pending alleging the company's public disclosures misrepresented and failed to disclose that the Company improperly increased the number of in-home therapy visits to patients for the purpose of triggering higher reimbursement rates. Filed 11-2-10 and 1-4-11. (See 10-Q)

It should be noted that the cover sheet for Attachment 14 in Gentiva's application (stamped page 0183) says "Attachment 14: November 12, 2010 10Q Statement". The document actually attached is Form 10-K, for the fiscal year ended January 3, 2010 (stamped page 0184). Consequently, information on the Senate Inquiry, the SEC investigation, and the collective and class action complaints alleging wage and hour violations under FLSA are not included with the application. Had the applicant included the 10-Q for the period ended October 3, 2010 (which was filed on 11-12-10) as indicated, this information would have been included with the application.

Tri-County Home HealthCare

The application indicates they are looking to *expand* into Beaufort County (page 0006). Page 0005 indicates they currently are in Aiken, Lexington, Saluda, Sumter and Richland counties. NHC believes the applicant will be required to have a new provider number and a locally employed administrator since Beaufort is so far away from existing operations to adequately manage the branch. In fact, the offices in Beaufort might even be regarded as subunits vs branch offices. Page 0489 indicates the projected Salaries for Administrative staff **excludes** Administrator salaries and benefits which will not be duplicated in Beaufort County. So it appears they have no plans to have an administrator locally. SC regulations state "administrator/Director must be available within a reasonable time and distance". Given the applicants concerns regarding number of office locations needed to serve Beaufort County, three offices, it seem inconsistence to assume the offices would not employ a local administrator.

Average visits per patient in Years 1, 2, and 3 are 19.11, 17.58, and 16.01 respectively. SC average is 25.60 per CMS statistics. National average is 36. So it appears they would be providing less care per patient—well below the state average.

Nursing staffing appear to be understated. Given the projected number of visits for RN's in Year 1 of 926 and an RN staffing of .67 this would require a productivity of 5.53 visits per nurse per day. National comparison statistics show average RN productivity at 4.96 (see statistics page). The LPN staff listed would not be doing visits (visit projection is 0 for LPN's all 3 years.)

Applicant planned and committed to DHEC to open three (3) separate offices in the county. While we would agree it would be wise to employ clinical staff from various parts of the county, that doesn't mean you must have the increased rent, utilities, etc. to operate separate offices. Patients are seen in their homes—not in the office.

United Home Care, Inc.

Projected Utilization reflects 203 patients in Year 1. SC need projection only showed unmet need of 101. In order to achieve their projections, the applicant would clearly have to take patients away from existing providers already in the area. This would clearly impact the feasibility of existing providers and would not promote the orderly development of healthcare in the area.

The project is **not financially feasible**. Year 1 loss is projected to be \$337,617. Even after accounting for the tax credit related to this loss, the Net Loss is projected to be \$200,882. With a projection of after tax income in Year 2 of \$3,669 and in Year 3 of \$55,350, that still leaves the project with a cumulative projected loss after the end of three years of \$144,006.

Average visits per patient in Years 1, 2, and 3 are 18.15, 20.86, and 20.73 respectively. SC average is 25.60 per CMS statistics. National average is 36. So it appears they would be providing less care per patient—well below the state average.

Applicant has incorrectly amortized start-up costs over 120 months. In accordance with Statement of Position (SOP) 98-5, start-up activities and organization costs are to be expensed as incurred. (See attached copy from AICPA Technical Practice Aids).

Liberty HomeCare

Financing—Applicant has enclosed a letter from the CFO stating the parent company will supply funding. However, no financials for the parent company to back up this statement and show they are able to do so were provided. In addition, no bank letter was submitted.

Will not provide pediatric services

The applicant has a **cumulative net loss** at the end of the 3 year period of 45,031.

Average visits per patient in Years 1, 2, and 3 are 18.05, 18.67, and 19.68 respectively. SC average is 25.60 per CMS statistics. National average is 36. So it appears they would be providing less care per patient—well below the state average.

Low Country Nursing Group (Interim)

Projected patients in Year 1 of 186. (SC need projections only for 101).

This applicant projects 54% of their patients to be Medicare and 73% of their visits to be for those Medicare patients. Analysis of their Medicare visits/patients by year reveals an average of 15.0 visits. The SC state average is 25.6, so it appears they would be providing less care (41% below the state average).

Applicant is a franchisee with no history of operating a Medicare certified agency.

**Medicare Part A & Part B
from the Health Care Information System (HCIS)
Home Health Agency National State Summary for Calendar Year 2009**

STATE	TOTAL HHA VISITS	TOTAL HHA PATIENTS	TOTAL HHA PAYMENTS
AL	2,381,152	70,475	\$357,458,366.02
AK	47,422	2,149	\$10,365,231.33
AZ	705,641	34,998	\$130,779,625.38
AR	1,341,308	35,727	\$167,387,928.62
CA	8,307,558	273,972	\$1,432,437,472.24
CO	807,349	31,470	\$135,312,828.09
CT	1,640,812	51,809	\$236,612,690.73
DC	129,600	5,727	\$24,052,011.46
DE	238,549	11,645	\$40,995,787.44
FC	7,054	157	\$1,188,823.72
FL	22,748,394	386,869	\$2,536,406,653.13
GA	2,842,576	92,951	\$467,718,826.95
GU	14,115	587	\$2,898,589.95
HI	47,864	3,060	\$11,270,497.24
ID	338,961	11,406	\$50,297,560.26
IL	5,692,609	196,843	\$1,073,947,601.91
IN	1,977,189	63,267	\$300,813,789.36
IA	545,781	22,643	\$71,921,140.88
KS	694,150	24,126	\$103,266,863.67
KY	1,854,308	59,408	\$290,865,728.92
LA	4,141,523	81,553	\$573,828,262.73
ME	447,728	20,195	\$72,251,783.11
MD	1,103,613	57,324	\$217,105,895.07
MA	3,119,430	108,362	\$506,584,791.89
MI	4,417,488	177,369	\$841,662,330.24
MN	669,258	30,336	\$113,645,575.62
MS	2,262,419	54,158	\$343,140,811.53
MO	1,624,839	70,078	\$267,458,570.74
MT	142,962	6,899	\$23,518,311.34
NE	364,714	15,246	\$57,497,053.74
NV	742,667	24,155	\$127,372,710.83
NH	448,107	17,281	\$70,852,678.37
NJ	2,265,571	98,209	\$399,792,126.64
NM	565,118	16,907	\$82,094,757.68
NY	6,235,091	186,173	\$816,556,516.34
NC	2,455,900	105,443	\$431,444,549.80
ND	90,469	4,579	\$11,518,773.28
OH	3,816,672	130,385	\$564,108,901.15
OK	3,942,891	70,892	\$479,866,147.70
OR	369,242	20,608	\$79,733,608.48
PA	3,358,701	148,132	\$544,461,569.69
PR	241,695	9,786	\$26,221,336.19
RJ	299,682	12,581	\$49,306,998.51
SC	1,279,286	49,970	\$231,606,976.97
SD	87,107	4,312	\$14,183,850.27
TN	318,398	9,156	\$47,071,955.18
TX	22,945,223	397,887	\$3,021,269,686.28
UT	1,121,031	19,888	\$123,598,999.81
VT	288,927	9,973	\$41,329,981.99
VI	8,705	285	\$1,115,789.76
VA	2,179,902	86,953	\$354,182,640.29
WA	812,122	40,982	\$175,026,935.21
WV	499,389	20,211	\$82,658,515.43
WI	782,537	34,382	\$126,377,985.51
WY	87,101	3,196	\$12,934,177.23
TOTAL	125,877,998	3,522,835	\$18,377,179,531.90

National average # of visits per patient:	36
National average payment per visit:	\$145.99
National average payment per patient:	\$5,216.44

Source: Centers for Medicare & Medicaid Services (CMS) Health Care Information Service (HCIS), March 2011.

Note: Total Patients is an approximate count, as patients may have received services in more than one state.

Table 9: Home Health Care Visit Staff Productivity (Actual Visits Performed)	
Staff Type	Productivity (per 8 Hours)
RN	4.96
LPN/LVN	5.90
Home Care Aide	5.17
Physical Therapist	5.39
Occupational Therapist	5.30
Social Worker	3.48
Source: National Association for Home Care & Hospice, Hospital & Healthcare Compensation Service, <i>Homecare Salary & Benefits Report 2009-2010</i> , October 2009.	

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Georgia's St. Joseph's/Candler Health Pays \$2.7M to Settle Medicaid Fraud Allegations

By Molly Gamble | February 09, 2011



Like

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Savannah, Ga.-based St. Joseph's/Candler Health System will pay the state of Georgia \$2.717 million in a civil settlement over Medicaid billing for inpatient and outpatient services at its two Savannah-area hospitals, according to a news release from the Georgia Attorney General.

The settlement follows an 11-month investigation on SJCHS's billing for cross-over claims, or those made for patients enrolled in both Medicare and Medicaid. The investigation found that SJCHS filed claims that were short of the full amount of Medicare prior payments, allowing the system to receive excessive reimbursement.

SJCHS also agreed to pay an additional \$2,500 to defray the costs of the investigation. The system cooperated fully with the State's investigation and implemented corrective actions to ensure that similar billing problems do not reoccur, according to the release.

Read the release on St. Joseph's/Candler Health System's \$2.7 million settlement over Medicaid billing.

Read about other recent healthcare settlements:

- AmeriHealth Mercy Health Plan Pays \$2M to Settle Medicaid Fraud Allegations
- St. Jude Medical to Pay \$18M to Settle Kickback Allegations
- Pharmaceutical Company Will Pay \$280M to Settle False Claims Allegations

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00345

Section 10,750**Statement of Position 98-5 Reporting on the Costs of Start-Up Activities**

April 3, 1998

NOTE

Statements of Position on accounting issues present the conclusions of at least two-thirds of the Accounting Standards Executive Committee, which is the senior technical body of the Institute authorized to speak for the Institute in the areas of financial accounting and reporting. Statement on Auditing Standards No. 69, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles*, identifies AICPA Statements of Position that have been cleared by the Financial Accounting Standards Board as sources of established accounting principles in category b of the hierarchy of generally accepted accounting principles that it establishes. AICPA members should consider the accounting principles in this Statement of Position if a different accounting treatment of a transaction or event is not specified by a pronouncement covered by Rule 203 of the AICPA Code of Professional Conduct. In such circumstances, the accounting treatment specified by the Statement of Position should be used, or the member should be prepared to justify a conclusion that another treatment better presents the substance of the transaction in the circumstances.

Summary

This Statement of Position (SOP) provides guidance on the financial reporting of start-up costs and organization costs. It requires costs of start-up activities and organization costs to be expensed as incurred.

The SOP broadly defines start-up activities and provides examples to help entities determine what costs are and are not within the scope of this SOP.

This SOP applies to all nongovernmental entities and, except as stated in the last paragraph, is effective for financial statements for fiscal years beginning after December 15, 1998. Earlier application is encouraged in fiscal years for which annual financial statements previously have not been issued.

Except for certain entities noted in the last paragraph, initial application of this SOP should be reported as the cumulative effect of a change in accounting principle, as described in Accounting Principles Board (APB) Opinion No. 20, *Accounting Changes*.^{*} When adopting this SOP, entities are *not* required to report the pro forma effects of retroactive application.

Entities that report substantially all investments at market value or fair value, issue and redeem shares, units, or ownership interests at net asset value, and have sold their shares, units, or ownership interests to independent third parties before the later of June 30, 1998, or the date that the SOP is issued should adopt the SOP prospectively.

^{*} See the Transition section of the Audit and Accounting Guide *Construction Contractors*, for information on FASB Statement No. 154, *Accounting Changes and Error Corrections—a replacement of APB Opinion No. 20 and FASB Statement No. 3*, which supersedes APB Opinion No. 20, and is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. [Footnote added, May 2005, to reflect the 2005 conforming changes made to the Audit and Accounting Guide *Construction Contractors*. Footnote revised, May 2006, to reflect the 2006 conforming changes made to the Audit and Accounting Guide *Construction Contractors*.]

Table 2: Medicare Fee-for-Service Home Health Outlays, Visits, Clients, Payment/Client, and Visits/Client, 1996-2008

Year	Outlays (\$million)	Visits (1000s)	Clients (1000s)	Payment/ Client	Visits/ Client
1996	16,789	264,553	3,598	4,666	74
1997	16,723	257,751	3,554	4,705	73
1998	10,446	154,992	3,062	3,412	51
1999	7,908	112,748	2,735	2,892	41
2000	7,352	90,730	2,497	2,945	36
2001	8,637	73,698	2,439	3,541	30
2002	9,635	78,055	2,724	3,538	29
2003	10,149	82,517	2,888	3,524	29
2004	11,500	88,872	2,840	4,050	31
2005	12,885	95,534	3,228	3,991	30
2006	14,050	103,981	3,302	4,254	32
2007	15,677	114,199	3,383	4,635	34
2008	17,115	121,026	3,466	4,938	35

Sources: Centers for Medicare & Medicaid Services. HCIS home health data, 1994-1998 (December 2000). HCIS home health data, 1999 & 2000 (September 2001). HCIS home health data, 2001 (December 2002). HCIS home health data, 2002 (October 2003). HCIS home health data, 2003 (October 2004). HCIS home health data, 2004 (October 2005). HCIS home health data, 2005 (October 2006). HCIS home health data, 2006 (October 2007). HCIS home health data, 2007 (March 2009). HCIS home health data, 2008 (June 2010).

Table 11: Average Compensation of Home Health Agency Caregivers, October 2009

	Per-Hour Rates by Percentile			Per-Visit Rates by Percentile		
	25 th	Median	75 th	25 th	Median	75 th
Registered Nurse	\$25.64	\$27.79	\$31.09	\$31.75	\$35.13	\$40.00
LPN/LVN	17.97	19.81	22.47	20.74	23.38	26.55
Occupational Therapist	31.00	34.13	36.52	53.88	58.50	62.00
Physical Therapist	34.49	37.22	40.37	56.05	60.00	65.00
Respiratory Therapist	21.88	23.44	24.96	55.00	75.00	82.50
Speech/Language Pathologist	30.41	33.65	38.57	55.00	59.92	65.00
Medical Social Worker	20.78	23.48	26.56	45.00	51.50	60.00
Home Care Aide III	10.98	12.11	13.38	12.25	13.75	15.50

Source: National Association for Home Care & Hospice, Hospital & Healthcare Compensation Service. *Homecare Salary & Benefits Report 2009-2010*. October 2009.

Table 12: Comparison of Hospital, SNF, and Home Health Medicare Charges, 2005-2009¹

	2005	2006	2007	2008	2009
Hospital (per day)	\$4,999	\$5,475	\$5,895	\$6,196	\$6,200
SNF (per day)	504	519	558	590	622
Home health (per visit)	125	129	130	134	135

Sources: The hospital Medicare charge data for 2005-2007 are from the *Annual Statistical Supplement*, 2008, to the *Social Security Bulletin*, Social Security Administration online (www.ssa.gov). SNF data for 2005 are from the *Annual Statistical Supplement*, 2007, to the *Social Security Bulletin*, Social Security Administration online (www.ssa.gov). Home health information 2005 data are from the Health Care Financing Review, Statistical Supplement, Centers for Medicare & Medicaid Services, 2006. Home health information 2006 data are from the Health Care Financing Review, Statistical Supplement, Centers for Medicare & Medicaid Services, 2007. Home health information 2007 data are from the Health Care Financing Review, Statistical Supplement, Centers for Medicare & Medicaid Services, 2008. Home health information 2008 data are from the Health Care Financing Review, Statistical Supplement, Centers for Medicare & Medicaid Services, 2009.

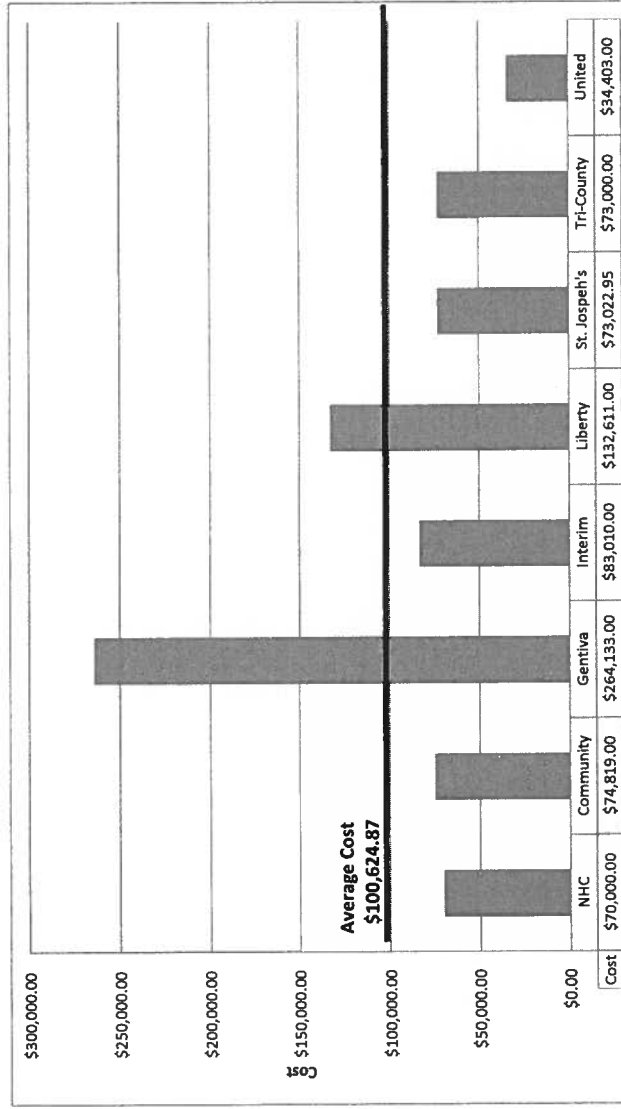
Note: ¹Hospital data for 2008 and 2009 were updated using the Bureau of Labor Statistics' (BLS) Producer Price Index (PPI) for General medical and surgical hospitals by payor types, Medicare patients. Skilled nursing facility data for 2006, 2007, 2008 and 2009 were updated using BLS' PPI for Nursing care facilities, Public payors. Home health data for 2009 were updated using the BLS' PPI for Home health care services, Medicare payors. (www.bls.gov).

COST & FINANCING

00349

Beaufort County Home Health CON Cost Summary

	NHC HomeCare	Community Health	Gentiva Home Health	Interim HealthCare	Liberty Home Care	St. Joseph's Candler Home Health	Tri-County Home Health Care	United Home Care
A. Cost	\$70,000.00	\$74,819.00	\$264,133.00	\$83,010.00	\$132,611.00	\$73,022.95	\$73,000.00	\$34,403.00
B. Financing	National HealthCare Corporation will make available all funds necessary for the operation and working capital of the project.	Community Health Inc. will provide necessary funding for the project and working capital for the first year of operations.	Gentiva Certified Healthcare Corp. will finance the capital cost from existing cash reserves.	Hitrak Staffing, Inc. will fund the initial start-up costs.	Liberty HomeCare Group, parent of applicant, will supply all funding for the development and start-up expenses.	St. Joseph's Candler Health System, Inc. will fund the proposed project from current operating funds.	Attestation by MSA that \$225,000 has been designated for the project.	United Health Services commits to provide up to \$600,000 in funds to develop and operate the project with cash from ongoing operations.

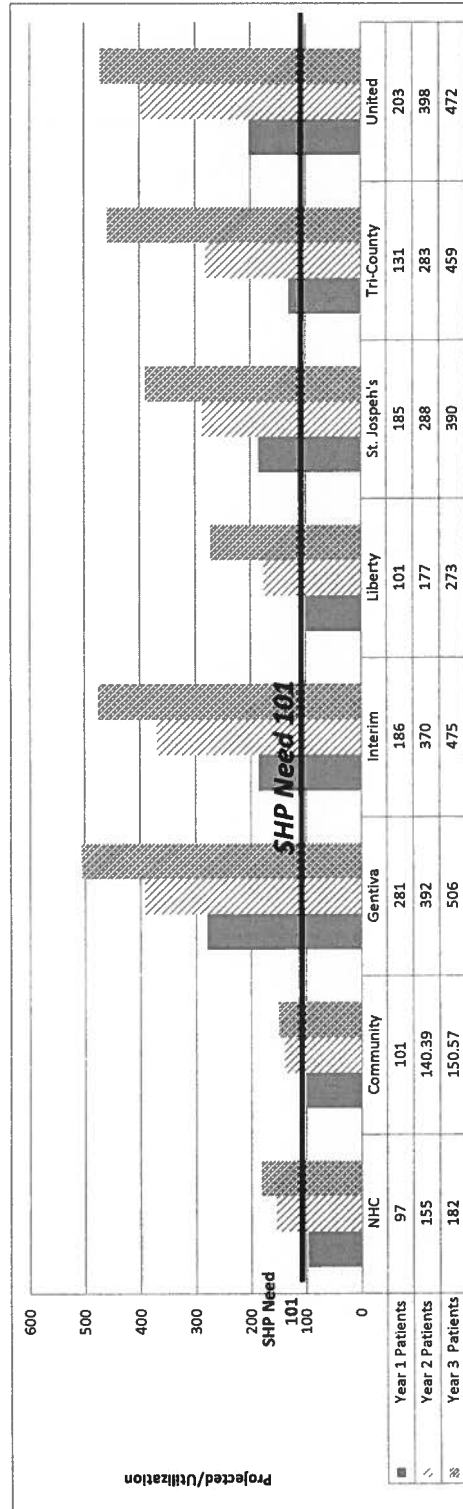


NEED

00351

Beaufort County Home Health CON Need Summary

	NHC HomeCare	Community Health	Gentiva Home Health	Interim HealthCare	Liberty Home Care	St. Joseph's Candler Home Health	Tri-County Home Health Care	United Home Care
C. Need								
Telemonitoring	Yes	Yes	No	No	Yes	Yes	No	No
Pediatrics to be Served	Yes	No Requires specially trained pediatric qualified nurses that are in short supply. Insufficient demand. (2% of SC hlth pts in 2009 were less than 18 yrs of age.)	No Does not typically serve pediatric pts and expects all patients to be 18 years or older.	Yes	No Nurses with specialized pediatric training take time to recruit	Yes	Yes If referred and if a pediatric nurses is available. Tri-County does not market this service	Yes Estimate 5 pediatric patients in 2014.
Projected Utilization								
Year 1 Patients	97	101	281	186	101	185	131	203
Year 2 Patients	155	140.39	392	370	177	288	283	398
Year 3 Patients	182	150.57	506	475	273	390	459	472



FINANCIAL FEASIBILITY

Beaufort County Home Health COW Financial Feasibility Summary

	NHC HomeCare	Community Health	Gentiva Home Health	Interm HealthCare	Liberty Home Care	St. Joseph's Candler Home Health	Tri-County Home Health Care	United Home Care
D. Financial Feasibility								
Net Income (Loss)								
Year 1	(\$18,231.00)	(\$18,187.51)	(\$62,262.00)	(\$68,700.00)	(\$82,352.00)	(\$116,444.00)	(\$10,039.00)	(\$199,393.00)
Year 2	\$17,864.00	\$38,740.44	\$123,371.00	\$4,550.00	\$4,481.00	\$28,925.00	\$90,056.00	\$3,669.00
Year 3	\$67,630.00	\$43,980.73	\$264,145.00	\$43,931.00	\$32,840.00	\$143,594.00	\$158,641.00	\$55,350.00
Cumulative Income (Loss)	<u>\$67,263.00</u>	<u>\$64,533.66</u>	<u>\$325,254.00</u>	<u>(\$20,219.00)</u>	<u>(\$45,031.00)</u>	<u>\$56,075.00</u>	<u>\$238,658.00</u>	<u>(\$140,374.00)</u>
Payor Mix	(By Visits)	(By Visits)	(By Patients)	(By Visits)	(By Patients)	(By Visits)		(By Patients)
Medicare	91%	77%	93.7%	73%	66.8%	85%	87%	86%
Medicaid	3%	6%	3.5%	16%	7.7%	3%	4%	5%
Private/Insurance	4%			11%		10%	9%	
Indigent	1%	1%						
Non-Medicare PPS					17.3%			
All Other		16%	2.1%			2%		
Self Pay			0.7%					
3rd Party					8.2%			4%
Commercial								

STAFFING

00355

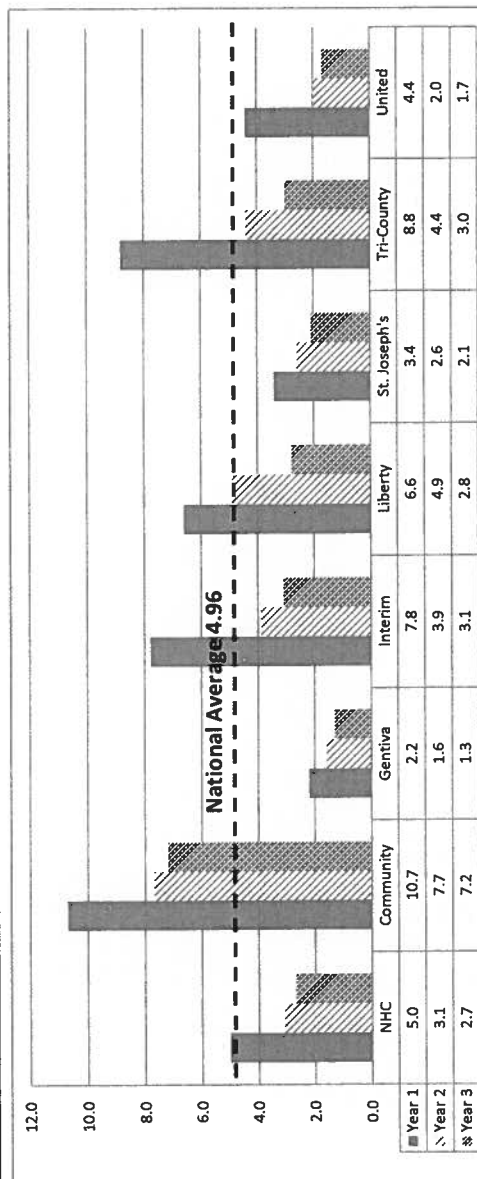
Beaufort County Home Health CON Statistics and Visits by Discipline Summary

	NHC HomeCare			Community Health			Gentiva Home Health			Interim HealthCare			Liberty Home Care			St. Joseph's Candler Home Health			Tri-County Home Health			United Home Care		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Staffing																								
RN/SN	1.18	1.88	2.2	0.55	0.77	0.82	2.7	3.7	4.6	0.76	1.5	1.91	0.9	1.2	2.1	1.75	2.25	2.75	0.67	1.33	1.96	1.33	2.99	3.52
LPN	Contract*	Contract*	Contract*	0.08	0.11	0.12	2.1	2.8	3.5	0.6	1.19	1.52	0.7	1	1.7	0.2	0.3	0.4	1	1	2			
PT	Contract*	Contract*	Contract*	0.71	0.99	1.06	0.2	0.2	0.3	0.02	0.03	0.04	Contract	Contract	Contract				0.84	1.67	2.47			
ST	Contract*	Contract*	Contract*	0.06	0.08	0.08	0.8	1	1.3	0.15	0.31	0.39	0.2	0.2	0.4				0.01	0.02	0.04			
OT	Contract*	Contract*	Contract*	0.17	0.24	0.25	0.1	0.1	0.2	0.03	0.07	0.09	Contract	0.1	0.1				0.19	0.37	0.55			
MSW	0.15	0.24	0.28	0.02	0.03	0.03	0.1	0.1	0.2	0.03	0.07	0.09	Contract	0.1	0.1									
HHA	0.28	0.45	0.53	0.04	0.05	0.06	0.3	0.4	0.5	0.14	0.27	0.35	0.2	0.2	0.2	0.5	0.7	0.9	1	1	1	0.34	0.77	0.91
Administrator	1	1	1	1	1	1	4	5	5							1	1	1	1	2	2	1	1	1
Supervisor				0.5	0.75	0.75																		
DON	0	1	1																					
Office Manager	1	1	1													1	1	1				1	1	1
Clerical	1.5	1.5	2	1	1	1										1	1	1						
Office Coordinator																								
Office Admin.																								
Other													0.5	0.5	1									
Total	5.11	7.07	8.01	4.13	5.02	5.18	10.2	13.2	15.4	1.7	3.37	4.3	4	5.2	8.5	6.45	7.25	8.05	7.21	10.39	13.02	5.67	7.76	8.43

* NHC HomeCare/South Carolina, LLC will contract with Professional Health Services for PT, ST & OT. PHS is a sister company to NHC HomeCare/South Carolina, LLC

Home Health Care Visit Staff Productivity Visits per Day (8 hours)

	NHC HomeCare			Community Health			Gentiva Home Health			Interim HealthCare			Liberty Home Care			St. Joseph's Candler Home Health			Tri-County Home Health			United Home Care		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Staffing																								
RN/SN	5.0	3.1	2.7	10.7	7.7	7.2	2.2	1.6	1.3	7.8	3.9	3.1	6.6	4.9	2.8	3.4	2.6	2.1	8.8	4.4	3.0	4.4	2.0	1.7



National Average for RN is 4.96 Productivity (per 8 hours)

Source: National Association for Home Care & Hospice, Hospital & Healthcare Compensation Service.

00356

INDIGENT CARE

00357

Beaufort County Home Health CON Summary

	NHC HomeCare			Community Health			Gentiva Home Health			Interim HealthCare			Liberty Home Care		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Indigent Care															
Gross Rev.	\$585,747	\$961,405	\$1,157,199	\$346,535	\$482,066	\$516,807	\$984,611	\$1,448,022	\$1,863,457	\$324,150	\$643,500	\$816,450	\$330,411	\$599,035	\$968,372
Indigent Care	\$11,715	\$19,228	\$23,144	\$3,465	\$4,820	\$5,168	\$49,231	\$43,441	\$55,904	\$6,483	\$12,870	\$20,411	\$1,185	\$1,815	\$2,760
% of Gross Rev.	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%	5.0%	3.0%	3.0%	2.0%	2.0%	2.5%	0.4%	0.3%	0.3%

	St. Joseph's Candler Home Health			Tri- County Home Health			United Home Care		
	FY 2011	FY 2012	FY 2013	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Indigent Care									
Gross Rev.	\$532,145	\$830,329	\$1,130,475	\$502,794	\$934,790	\$1,272,178	\$474,799	\$1,300,786	\$1,579,197
Indigent Care	\$26,607	\$6,467	\$8,881	\$15,084	\$28,044	\$38,165	\$9,726	\$19,650	\$24,015
% of Gross Rev.	5.0%	0.8%	0.8%	3.0%	3.0%	3.0%	2.0%	1.5%	1.5%

00358

EXPERIENCE

Beaufort County Home Health CON Experience Summary

Experience	NHC HomeCare	Community Health	Gentiva Home Health	Interim HealthCare	Liberty Home Care	St. Joseph's Candler Home Health	Tri-County Home Health Care	United Home Care
Currently has home health operations in South Carolina	Yes	No	Yes	Yes (pediatric)	Yes	No	Yes	No
Number of South Carolina agencies	7	0	5	1	3	0	4	0
Number of Counties serviced			18	3	3	0	5	0
Years in South Carolina as a home health operator	15	0	18	1	2	0	2 30 yrs (Parent Company)	0
Currently has home health operations Nationally	Yes	No	Yes	Franchise	Yes	Yes	Yes	Yes
Number of National agencies	36	0	350	1	27	3	40	13
Years in Operation	35	0	28 First MC Certified Home Health agency opened in 1983	1	12	26	25 Parent company has 7 subsidiaries which operate 40 home health agencies	10